

## Report on Non-General Fund Information

for Submittal to the 2006 Legislature

Department: HAWAIIAN HOME LANDS

Date: 11/11/2005  
Prepared by: James Pao  
Phone: 586-3808

Name of Fund: HAWAIIAN HOME LOAN FUND

Legal Authority: HAWAIIAN HOMES COMMISSION ACT, 1920, as amended, Section 213(b)

Fund Type (MOF): Revolving

Approp. Acct. No. **S-302**

Intended Purpose: See Attached

Current Program Activities: See Attached

Financial Data		
	FY 2005	FY 2006
Beginning Cash Balance	276,573.29	675,595.51
Beginning Encumbrances	0.00	0.00
Revenues	405,534.36	
Expenditures	6,512.14	
Transfers (List Each Transfer by JV# and Date)		
	0.00	0.00
Net Total Transfers	0.00	0.00
Amount Derived from Bond Proceeds	0.00	0.00
Ending Cash Balance	675,595.51	
Amount Required for Bond Covenants as of 7/1/05		0.00
Amount held in Certificates of Deposit, Escrow Accounts, or Other Investments as of 7/1/05		0.00

\* Amounts invested are unknown since investments are managed by the Department of Budget and Finance via an investment pool.

## Report on Non-General Fund Information

for Submittal to the 2006 Legislature

Department: HAWAIIAN HOME LANDS

Date: 11/11/2005  
Prepared by: James Pao  
Phone: 586-3808

Name of Fund: HAWAIIAN HOME GENERAL LOAN FUND

Legal Authority: HAWAIIAN HOMES COMMISSION ACT, 1920, as amended, Section 213(c)

Fund Type (MOF): Revolving

Approp. Acct. No. **S-323**

Intended Purpose: See Attached

Current Program Activities: See Attached

Financial Data		
	FY 2005	FY 2006
Beginning Cash Balance	20,295,348.68	21,891,568.04
Beginning Encumbrances	0.00	0.00
Revenues	3,954,795.85	
Expenditures	2,358,576.49	
Transfers (List Each Transfer by JV# and Date)		
	0.00	0.00
Net Total Transfers	0.00	0.00
Amount Derived from Bond Proceeds	0.00	0.00
Ending Cash Balance	21,891,568.04	
Amount Required for Bond Covenants as of 7/1/05		0.00
Amount held in Certificates of Deposit, Escrow Accounts, or Other Investments as of 7/1/05		0.00

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## Report on Non-General Fund Information

for Submittal to the 2006 Legislature

Department: HAWAIIAN HOME LANDS

Date: 11/14/2005  
Prepared by: James Pao  
Phone: 586-3808

Name of Fund: HAWAIIAN HOME OPERATING FUND

Legal Authority: HAWAIIAN HOMES COMMISSION ACT, 1920, as amended, Section 213(e)

Fund Type (MOF): Trust

Approp. Acct. No. **T-915**

Intended Purpose: See Attached

Current Program Activities: See Attached

Financial Data		
	FY 2005	FY 2006
Beginning Cash Balance	16,838,728.59	19,230,690.69
Beginning Encumbrances	8,256,924.63	6,008,634.08
Revenues	813,510.98	
Expenditures	8,093,913.06	
Transfers (List Each Transfer by JV# and Date)		
See Attached Schedule	9,672,364.18	0.00
Net Total Transfers	9,672,364.18	0.00
Amount Derived from Bond Proceeds	0.00	0.00
Ending Cash Balance	19,230,690.69	
Amount Required for Bond Covenants as of 7/1/05		0.00
Amount held in Certificates of Deposit, Escrow Accounts, or Other Investments as of 7/1/05		0.00

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for Submittal to the 2006 Legislature

Department: HAWAIIAN HOME LANDS

Date: 11/14/2005  
Prepared by: James Pao  
Phone: 586-3808

Name of Fund: HAWAIIAN HOME RECEIPTS FUND

Legal Authority: HAWAIIAN HOMES COMMISSION ACT, 1920, as amended, Section 213(g)

Fund Type (MOF): Trust

Approp. Acct. No. **T-916**

Intended Purpose: See Attached

Current Program Activities: See Attached

Financial Data		
	FY 2005	FY 2006
Beginning Cash Balance	0.00	2,508.76
Beginning Encumbrances	0.00	0.00
Revenues	4,674,872.94	
Expenditures	0.00	
Transfers (List Each Transfer by JV# and Date)		
See Attached Schedule	(4,672,364.18)	0.00
Net Total Transfers	(4,672,364.18)	0.00
Amount Derived from Bond Proceeds	0.00	0.00
Ending Cash Balance	2,508.76	
Amount Required for Bond Covenants as of 7/1/05		0.00
Amount held in Certificates of Deposit, Escrow Accounts, or Other Investments as of 7/1/05		0.00

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for Submittal to the 2006 Legislature

Department: HAWAIIAN HOME LANDS

Date: 11/14/2005  
Prepared by: James Pao  
Phone: 586-3808

Name of Fund: NATIVE HAWAIIAN REHABILITATION FUND

Legal Authority: HAWAIIAN HOMES COMMISSION ACT, 1920, as amended, Section 213(i)

Fund Type (MOF): Trust

Approp. Acct. No. **T-924**

Intended Purpose: See Attached

Current Program Activities: See Attached

Financial Data		
	FY 2005	FY 2006
Beginning Cash Balance	11,608,621.76	10,927,948.88
Beginning Encumbrances	1,624,182.31	1,579,833.00
Revenues	482,887.24	
Expenditures	1,163,560.12	
Transfers (List Each Transfer by JV# and Date)		
	0.00	0.00
Net Total Transfers	0.00	0.00
Amount Derived from Bond Proceeds	0.00	0.00
Ending Cash Balance	10,927,948.88	
Amount Required for Bond Covenants as of 7/1/05		0.00
Amount held in Certificates of Deposit, Escrow Accounts, or Other Investments as of 7/1/05		0.00

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for Submittal to the 2006 Legislature

Department: HAWAIIAN HOME LANDS

Date: 11/14/2005  
Prepared by: James Pao  
Phone: 586-3808

Name of Fund: HAWAIIAN HOME ADMINISTRATION ACCOUNT

Legal Authority: HAWAIIAN HOMES COMMISSION ACT, 1920, as amended, Section 213(f)

Fund Type (MOF): Special

Approp. Acct. No. **S-325**

Intended Purpose: See Attached

Current Program Activities: See Attached

Financial Data		
	FY 2005	FY 2006
Beginning Cash Balance	12,870,567.78	7,286,613.86
Beginning Encumbrances	641,352.92	446,620.26
Revenues	8,943,539.52	
Expenditures	5,901,802.60	
Transfers (List Each Transfer by JV# and Date)		
See Attached Schedule	8,000,000.00	0.00
See Attached Schedule	(16,625,690.84)	
Net Total Transfers	(8,625,690.84)	0.00
Amount Derived from Bond Proceeds	0.00	0.00
Ending Cash Balance	7,286,613.86	
Amount Required for Bond Covenants as of 7/1/05		0.00
Amount held in Certificates of Deposit, Escrow Accounts, or Other Investments as of 7/1/05		0.00

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Department: HAWAIIAN HOME LANDS

Date: 11/14/2005  
Prepared by: James Pao  
Phone: 586-3808

Name of Fund: HAWAIIAN HOME ADMINISTRATION ACCOUNT-PROTOCOL

Legal Authority: HAWAIIAN HOMES COMMISSION ACT, 1920, as amended, Section 213(f)

Fund Type (MOF): Special

Approp. Acct. No. **S-398**

Intended Purpose: See Attached

Current Program Activities: See Attached

Financial Data		
	FY 2005	FY 2006
Beginning Cash Balance	852.00	753.75
Beginning Encumbrances	0.00	0.00
Revenues	43.43	
Expenditures	1,789.68	
Transfers (List Each Transfer by JV# and Date)		
See Attached Schedule	2,500.00	0.00
See Attached Schedule	(852.00)	
Net Total Transfers	1,648.00	0.00
Amount Derived from Bond Proceeds	0.00	0.00
Ending Cash Balance	753.75	
Amount Required for Bond Covenants as of 7/1/05		0.00
Amount held in Certificates of Deposit, Escrow Accounts, or Other Investments as of 7/1/05*		0.00

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for Submittal to the 2006 Legislature

Department: HAWAIIAN HOME LANDS

Date: 11/14/2005  
Prepared by: James Pao  
Phone: 586-3808

Name of Fund: HAWAIIAN HOME TRUST FUND

Legal Authority: HAWAIIAN HOMES COMMISSION ACT, 1920, as amended, Section 213(h)

Fund Type (MOF): Trust

Approp. Acct. No. **T-917**

Intended Purpose: See Attached

Current Program Activities: See Attached

Financial Data		
	FY 2005	FY 2006
Beginning Cash Balance	10,850,100.00	10,850,100.00
Beginning Encumbrances	0.00	0.00
Revenues	0.00	
Expenditures	0.00	
Transfers (List Each Transfer by JV# and Date)		
	0.00	0.00
Net Total Transfers	0.00	0.00
Amount Derived from Bond Proceeds	0.00	0.00
Ending Cash Balance	10,850,100.00	
Amount Required for Bond Covenants as of 7/1/05		0.00
Amount held in Certificates of Deposit, Escrow Accounts, or Other Investments as of 7/1/05*		0.00

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## Report on Non-General Fund Information

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Department: HAWAIIAN HOME LANDS

Date: 11/14/2005  
Prepared by: James Pao  
Phone: 586-3808

Name of Fund: DHHL REVENUE BOND SPECIAL FUND

Legal Authority: HAWAIIAN HOMES COMMISSION ACT, 1920, as amended, Section 213.5

Fund Type (MOF): Special

Approp. Acct. No. **S-350**

Intended Purpose: See Attached

Current Program Activities: See Attached

Financial Data		
	FY 2005	FY 2006
Beginning Cash Balance	21,728,398.21	24,485,135.42
Beginning Encumbrances	0.00	0.00
Revenues	773,843.87	
Expenditures	1,640,297.50	
Transfers (List Each Transfer by JV# and Date)		
See Attached Schedule	11,623,190.84	0.00
See Attached Schedule	(8,000,000.00)	
Net Total Transfers	3,623,190.84	0.00
Amount Derived from Bond Proceeds	0.00	0.00
Ending Cash Balance	24,485,135.42	
Amount Required for Bond Covenants as of 7/1/05		1,641,297.50
Amount held in Certificates of Deposit, Escrow Accounts, or Other Investments as of 7/1/05*		0.00

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## Report on Non-General Fund Information

for Submittal to the 2006 Legislature

Department: HAWAIIAN HOME LANDS

Date: 11/14/2005  
Prepared by: James Pao  
Phone: 586-3808

Name of Fund: HAWAIIAN HOME LANDS TRUST FUND

Legal Authority: HAWAIIAN HOMES COMMISSION ACT, 1920, as amended, Section 213.6

Fund Type (MOF): Trust

Approp. Acct. No. **T-902**

Intended Purpose: See Attached

Current Program Activities: See Attached

Financial Data		
	FY 2005	FY 2006
Beginning Cash Balance	124,694,039.62	133,897,540.16
Beginning Encumbrances	20,550,373.34	51,854,887.80
Revenues	33,308,482.09	
Expenditures	24,104,981.55	
Transfers (List Each Transfer by JV# and Date)		
	0.00	0.00
Net Total Transfers	0.00	0.00
Amount Derived from Bond Proceeds	0.00	0.00
Ending Cash Balance	133,897,540.16	
Amount Required for Bond Covenants as of 7/1/05		0.00
Amount held in Certificates of Deposit, Escrow Accounts, or Other Investments as of 7/1/05		0.00

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					DEPARTMENT OF HAWAIIAN HOME LANDS							
					CASH TRANSFER BETWEEN FUNDS						Prep:	
					ORACLE TRIAL BALANCE							
					FISCAL YEAR 2005 (July 1, 2004 - June 30, 2005)						Reviewed:	
	<u>Oracle Acct. #'s</u>		<u>#62200</u>		<u>#62100</u>	<u>#62200</u>	<u>#62100</u>	<u>#62200</u>	<u>#62100</u>	<u>#62100</u>	<u>#62200</u>	
			<u>HH Recpts. Fd.</u>	<u>HH Gen. Ln. Fd.</u>	<u>HH Oper Fd</u>	<u>HH Admin. Acct.</u>		<u>HH Revenue Bd.</u>		<u>Protocol Fund</u>		
			<u>T-05-916 (S-316)</u>	<u>S-05-323</u>	<u>T-05-915 (S-315)</u>	<u>S-05-325</u>	<u>S-05-325</u>	<u>S-05-350</u>	<u>S-05-350</u>	<u>S-05-398</u>	<u>S-05-398</u>	<u>NET</u>
<u>SFX</u>	<u>DATE</u>	<u>JV REF.</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>TRANSFERS</u>
01	Aug-04	05-039				(2,500.00)				2,500.00		0.00
02	Aug-04	05-039					852.00				(852.00)	0.00
03	Sep-04	05-077					8,000,000.00	(8,000,000.00)				0.00
04	Sep-04	05-078				(224,466.32)			224,466.32			0.00
05	Sep-04	05-079				(94,777.33)			94,777.33			0.00
06	Sep-04	05-080				(447,580.65)			447,580.65			0.00
07	Sep-04	05-082				(600,943.40)			600,943.40			0.00
08	Sep-04	05-083				(85,156.75)			85,156.75			0.00
09	Sep-04	05-084				(175,616.91)			175,616.91			0.00
10	Sep-04	05-071				(153,803.48)			153,803.48			0.00
11	Sep-04	05-072				(230,439.53)			230,439.53			0.00
12	Sep-04	05-073				(235,184.17)			235,184.17			0.00
13	Sep-04	05-069				(127,205.00)			127,205.00			0.00
14	Sep-04	05-070				(189,617.92)			189,617.92			0.00
15	Sep-04	05-068			1,233,000.00	(1,233,000.00)						0.00
16	Sep-04	05-085				(678,789.88)			678,789.88			0.00
17	Sep-04	05-086				(243,146.22)			243,146.22			0.00
18	Sep-04	05-087				(82,547.75)			82,547.75			0.00
19	Sep-04	05-089				(156,594.69)			156,594.69			0.00
20	Sep-04	05-090				(585,964.84)			585,964.84			0.00
21	Sep-04	05-092				(198,122.94)			198,122.94			0.00
22	Sep-04	05-093				(207,916.84)			207,916.84			0.00
23	Sep-04	05-094				(147,342.07)			147,342.07			0.00
24	Sep-04	05-119	(790,000.00)		790,000.00							0.00
25	Sep-04	05-120B	(124,463.15)		124,463.15							0.00
26	Oct-04	05-128				(555,322.70)			555,322.70			0.00
27	Oct-04	05-129				(157,512.93)			157,512.93			0.00
28	Oct-04	05-130				(155,714.83)			155,714.83			0.00

					DEPARTMENT OF HAWAIIAN HOME LANDS							
					CASH TRANSFER BETWEEN FUNDS						Prep:	
					ORACLE TRIAL BALANCE							
					FISCAL YEAR 2005 (July 1, 2004 - June 30, 2005)						Reviewed:	
	Oracle Acct. #'s		<a href="#">#62200</a>		<a href="#">#62100</a>	<a href="#">#62200</a>	<a href="#">#62100</a>	<a href="#">#62200</a>	<a href="#">#62100</a>	<a href="#">#62100</a>	<a href="#">#62200</a>	
			<u>HH Recpts. Fd.</u>	<u>HH Gen. Ln. Fd.</u>	<u>HH Oper Fd</u>	<u>HH Admin. Acct.</u>		<u>HH Revenue Bd.</u>		<u>Protocol Fund</u>		
			<u>T-05-916 (S-316)</u>	<u>S-05-323</u>	<u>T-05-915 (S-315)</u>	<u>S-05-325</u>	<u>S-05-325</u>	<u>S-05-350</u>	<u>S-05-350</u>	<u>S-05-398</u>	<u>S-05-398</u>	<u>NET</u>
<u>SFX</u>	<u>DATE</u>	<u>JV REF.</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>TRANSFERS</u>
29	Nov-04	05-168			1,434,000.00	(1,434,000.00)						0.00
30	Nov-04	05-172				(207,201.15)			207,201.15			0.00
31	Nov-04	05-173				(74,126.93)			74,126.93			0.00
32	Nov-04	05-174				(84,288.09)			84,288.09			0.00
33	Nov-04	05-181				(231,999.54)			231,999.54			0.00
34	Nov-04	05-182				(130,985.32)			130,985.32			0.00
35	Nov-04	05-183				(224,780.18)			224,780.18			0.00
36	Dec-04	05-211	(850,000.00)		850,000.00							0.00
37	Dec-04	05-212	(323,650.49)		323,650.49							0.00
38	Dec-04	05-221				(402,533.65)			402,533.65			0.00
39	Dec-04	05-222				(346,104.28)			346,104.28			0.00
40	Dec-04	05-223				(97,141.45)			97,141.45			0.00
41	Dec-04	05-229				(220,915.90)			220,915.90			0.00
42	Dec-04	05-230				(178,349.07)			178,349.07			0.00
43	Jan-05	05-237			1,787,000.00	(1,787,000.00)						0.00
44	Jan-05	05-253			546,000.00	(546,000.00)						0.00
45	Feb-05	05-264				(135,873.02)			135,873.02			0.00
46	Feb-05	05-265				(1,252,760.42)			1,252,760.42			0.00
47	Mar-05	05-310	(1,100,000.00)		1,100,000.00							0.00
48	Mar-05	05-311	(108,375.20)		108,375.20							0.00
49	May-05	05-361				(892,562.83)			892,562.83			0.00
50	May-05	05-362				(143,883.96)			143,883.96			0.00
51	May-05	05-363				(117,424.58)			117,424.58			0.00
52	Jun-05	05-395				(324,590.03)			324,590.03			0.00
53	Jun-05	05-396				(137,232.91)			137,232.91			0.00
54	Jun-05	05-407				(223,839.07)			223,839.07			0.00
55	Jun-05	05-408				(185,397.36)			185,397.36			0.00
56	Jun-05	05-409				(277,433.95)			277,433.95			0.00

					DEPARTMENT OF HAWAIIAN HOME LANDS							
					CASH TRANSFER BETWEEN FUNDS						Prep:	
					ORACLE TRIAL BALANCE							
					FISCAL YEAR 2005 (July 1, 2004 - June 30, 2005)						Reviewed:	
		<u>Oracle Acct. #'s</u>	<u>#62200</u>		<u>#62100</u>	<u>#62200</u>	<u>#62100</u>	<u>#62200</u>	<u>#62100</u>	<u>#62100</u>	<u>#62200</u>	
			<u>HH Recpts. Fd.</u>	<u>HH Gen. Ln. Fd.</u>	<u>HH Oper Fd</u>	<u>HH Admin. Acct.</u>		<u>HH Revenue Bd.</u>		<u>Protocol Fund</u>		
			<u>T-05-916 (S-316)</u>	<u>S-05-323</u>	<u>T-05-915 (S-315)</u>	<u>S-05-325</u>	<u>S-05-325</u>	<u>S-05-350</u>	<u>S-05-350</u>	<u>S-05-398</u>	<u>S-05-398</u>	<u>NET</u>
<u>SFX</u>	<u>DATE</u>	<u>JV REF.</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>TRANSFERS</u>
57	Jun-05	05-415	(1,100,000.00)		1,100,000.00							0.00
58	Jun-05	05-416	(275,875.34)		275,875.34							0.00
<b>TOTALS</b>			<b>(4,672,364.18)</b>	<b>0.00</b>	<b>9,672,364.18</b>	<b>(16,625,690.84)</b>	<b>8,000,852.00</b>	<b>(8,000,000.00)</b>	<b>11,623,190.84</b>	<b>2,500.00</b>	<b>(852.00)</b>	<b>0.00</b>
		<b>SFX 01</b>										
		To transfer cash from S-04-325 (HH Admin Acct) to S-04-398 (Protocol Fd) per A-19, Request for Allotment, dtd 9/19/03 (Act 200, SLH 2003).										
		<b>SFX 02</b>										
		To transfer unrequired cash from S-03-398 (Protocol Fd) to S-03-325 (HH Admin Acct).										
		<b>SFX 03</b>										
		To transfer \$8 million from the HH Revenue Bond Special Fund (S-350) to the HH Admin Account (S-325) as approved by the HHC on 6/22/04,										
		Item G-1, "Approval of FY 2004 - 2005 Supplemental Operating Budget for the DHHL".										
		<b>SFX 04 - 14, 16 - 23, 26 - 28, 30 - 35, 38 - 42, 45, 46, 49 - 56</b>										
		To transfer cash from S-325 (HH Admin Acct) to S-350 (HH Revenue Bond) General Reserve per DHHL General Bond Resolution dated 9/24/91.										
		<b>SFX 15, 29, 43, 44</b>										
		To transfer \$5.0 million from the HH Administration Account (S-325) to the Hawaiian Home Operating Fund (T-915)										
		based on the HHC Agenda and Minutes dated June 22, 2004, Item G-1, "Approval of FY 2004 - 2005 Supplemental <b>Operating</b>										
		Budget for the Department of Hawaiian Home Lands".										
			<u>First Partial Transfer:</u>									
			Sep-04	JV 05-068	S/C 0251	955,000.00						
			Sep-04	JV 05-068	S/C 0252	278,000.00	1,233,000.00					

					DEPARTMENT OF HAWAIIAN HOME LANDS							
					CASH TRANSFER BETWEEN FUNDS						Prep:	
					ORACLE TRIAL BALANCE							
					FISCAL YEAR 2005 (July 1, 2004 - June 30, 2005)						Reviewed:	
	<u>Oracle Acct. #'s</u>		<a href="#">#62200</a>		<a href="#">#62100</a>	<a href="#">#62200</a>	<a href="#">#62100</a>	<a href="#">#62200</a>	<a href="#">#62100</a>	<a href="#">#62100</a>	<a href="#">#62200</a>	
			<u>HH Recpts. Fd.</u>	<u>HH Gen. Ln. Fd.</u>	<u>HH Oper Fd</u>	<u>HH Admin. Acct.</u>		<u>HH Revenue Bd.</u>		<u>Protocol Fund</u>		
			<u>T-05-916 (S-316)</u>	<u>S-05-323</u>	<u>T-05-915 (S-315)</u>	<u>S-05-325</u>	<u>S-05-325</u>	<u>S-05-350</u>	<u>S-05-350</u>	<u>S-05-398</u>	<u>S-05-398</u>	<u>NET</u>
<u>SFX</u>	<u>DATE</u>	<u>JV REF.</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>TRANSFERS</u>
			<u>Second Partial Transfer</u>									
			Nov-04	JV 05-168	S/C 0251	1,149,000.00						
			Nov-04	JV 05-168	S/C 0252	285,000.00	1,434,000.00					
			<u>Third Partial Transfer</u>									
			Jan-05	JV 05-237	S/C 0251	1,480,000.00						
			Jan-05	JV 05-237	S/C 0252	307,000.00	1,787,000.00					
			<u>Fourth and Final Transfer</u>									
			Jan-05	JV 05-253	S/C 0251	546,000.00						
			Jan-05	JV 05-253	S/C 0252	0.00	546,000.00					
			Total				5,000,000.00					
			<b>SFX 24, 25</b>									
	To transfer cash as of September 30, 2004, 1st Qt, FY 2005, from T-05-916 (HH Receipts Fd) to T-05-915 (HHL Operating Fd) per HH Commission Agenda and Minutes,											
	Item G-1, dated September 21, 2004.											
			<b>SFX 36, 37</b>									
	To transfer cash as of December 31, 2004, 2nd Qt, FY 2005, from T-05-916 (HH Receipts Fd) to T-05-915 (HHL Operating Fd) per HH Commission Agenda and Minutes,											
	Item G-1, dated December 14, 2004.											
			<b>SFX 47, 48</b>									
	To transfer cash as of March 31, 2005, 3rd Qt, FY 2005, from T-05-916 (HH Receipts Fd) to T-05-915 (HHL Operating Fd) per HH Commission Agenda and Minutes,											
	Item G-1, dated March 22, 2005.											

					DEPARTMENT OF HAWAIIAN HOME LANDS							
					CASH TRANSFER BETWEEN FUNDS						Prep:	
					ORACLE TRIAL BALANCE							
					FISCAL YEAR 2005 (July 1, 2004 - June 30, 2005)						Reviewed:	
	<u>Oracle Acct. #'s</u>		<a href="#">#62200</a>		<a href="#">#62100</a>	<a href="#">#62200</a>	<a href="#">#62100</a>	<a href="#">#62200</a>	<a href="#">#62100</a>	<a href="#">#62100</a>	<a href="#">#62200</a>	
			<u>HH Recpts. Fd.</u>	<u>HH Gen. Ln. Fd.</u>	<u>HH Oper Fd</u>	<u>HH Admin. Acct.</u>		<u>HH Revenue Bd.</u>		<u>Protocol Fund</u>		
			<u>T-05-916 (S-316)</u>	<u>S-05-323</u>	<u>T-05-915 (S-315)</u>	<u>S-05-325</u>	<u>S-05-325</u>	<u>S-05-350</u>	<u>S-05-350</u>	<u>S-05-398</u>	<u>S-05-398</u>	<u>NET</u>
<u>SFX</u>	<u>DATE</u>	<u>JV REF.</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>Transfer In</u>	<u>Transfer In</u>	<u>(Transfer Out)</u>	<u>TRANSFERS</u>
		SFX 57, 58										
		To transfer cash as of June 30, 2005, 4th Qt, FY 2005, from T-05-916 (HH Receipts Fd) to T-05-915 (HHL Operating Fd) per HH Commission Agenda and Minutes,										
		Item G-3, dated June 21, 2005.										

**DEPT. OF HAWAIIAN HOME LANDS**  
**CASH TRANSFERS FROM S-325 TO T-915 IN FY 2005**  
**CLOAN - CASH RECEIPTS**

	<u>Ref.</u> <u>JV #'s &amp; Date</u>	<u>Gen Lease</u> <u>S/C 0251</u>	<u>Revocable Permits &amp; Lic.</u> <u>S/C 0252</u>	<u>Rock Sales</u> <u>S/C 1344</u>	<u>Total</u>
July 2004	JV 05-068, 09/2004	720,680.67	147,909.79	0.00	868,590.46
August 2004	JV 05-068, 09/2004	234,966.59	130,649.58	0.00	365,616.17
Sept. 2004	JV 05-168, 11/2004	435,835.24	151,929.80	0.00	587,765.04
Oct. 2004	JV 05-168, 11/2004	712,537.01	133,242.37	0.00	845,779.38
Nov. 2004	JV 05-237, 01/2005	229,036.19	170,228.78	0.00	399,264.97
Dec. 2004	JV 05-237, 01/2005	1,251,793.10	136,840.34	0.00	1,388,633.44
Jan. 2005	JV 05-253, 01/2005	874,970.30	278,901.07	0.00	1,153,871.37
Feb. 2005		0.00	0.00	0.00	0.00
Mar. 2005		0.00	0.00	0.00	0.00
Apr. 2005		0.00	0.00	0.00	0.00
May 2005		0.00	0.00	0.00	0.00
June 2005		0.00	0.00	0.00	0.00

**Less Transfers to Operating Fund:**

JV 05-068, 09/2004	(955,000.00)	(278,000.00)	0.00	(1,233,000.00)
JV 05-168, 11/2004	(1,149,000.00)	(285,000.00)	0.00	(1,434,000.00)
JV 05-237, 01/2005	(1,480,000.00)	(307,000.00)	0.00	(1,787,000.00)
JV 05-253, 01/2005	(546,000.00)	0.00	0.00	(546,000.00)

Transfer cash to T-915 per Operating Budget FY 2005  
Transfer cash to T-915 per Operating Budget FY 2005  
Transfer cash to T-915 per Operating Budget FY 2005

<b>BALANCE</b>	<b>329,819.10</b>	<b>279,701.73</b>	<b>0.00</b>	<b>609,520.83</b>
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Note: \$5 million transfer of cash authorized by HHC on June 22, 2004, Item G-1, "Approval of FY 2004 - 2005 Supplemental Operating Budget for the Dept. of Hawaiian Home Lands".

3. That the Commission approve the transfer of \$5,000,000 from the Hawaiian Home Administration Account to the Hawaiian Home Operating Fund.



Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Loan Fund

Means of Financing: Revolving Fund

**1. Description and Purpose of Fund (including revenue source):**

The Hawaiian Home Loan Fund was established in 1921 as a revolving fund. Section 4 of the Hawaii Admissions Act (Act of March 18, 1959, Pub. L. 86-3, 73 Stat 4) made the Hawaiian Homes Commission Act (HHCA) a State law by compact with the United States. Under this compact, the Hawaiian Home Loan Fund may not be the subject of amendments that impair or reduce its powers and benefits without the consent of Congress.

Section 4 of the Hawaii Admissions Act, states in part:

"the Hawaiian home-loan fund, the Hawaiian home-operating fund, and the Hawaiian home-development fund shall not be reduced or impaired by any such amendment, whether made in the constitution or in the manner required for State legislation, and the encumbrances authorized to be placed on Hawaiian home lands by officers other than those charged with the administration of said Act, shall not be changed except with the consent of the United States" (emphasis added).

**REVENUE LINE ITEMS:**

Loan Principal Repayment - Pursuant to section 213(b) of the Hawaiian Homes Commission Act (HHCA), any principal repayment arising out of loans from the Hawaiian Home Loan Fund are to be credited to and deposited into the Hawaiian Home Loan Fund.

The Hawaiian Home Loan Fund is used principally to pay the net proceeds when a homestead lease is canceled or surrendered or when a lessee dies without leaving a qualified successor.

**2. Statutory Basis of Fund:**

Section 213 (b), Hawaiian Homes Commission Act of 1920, as amended

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home General Loan Fund

Means of Financing: Revolving Fund

**1. Description and Purpose of Fund (including revenue source):**

Act 249, passed by the 1986 State Legislature consolidated all remaining loan funds other than the Hawaiian home-loan fund into the Hawaiian home-general loan fund. These loan funds were established through various amendments to the Act since statehood. The major source of receipts for this fund is through principal repayment of loans.

The department can make loans from the revolving funds for the following purposes:

1. Repair, maintenance, purchase or erection of dwellings on any tract and any permanent improvements.
2. Purchase of livestock and farm equipment (including aquaculture).
3. Assistance in developing land.
4. Farm loans not to exceed \$50,000.
5. Commercial loans.

In addition, the department may:

6. Use money in the Hawaiian home-operating fund to secure matching funds from federal, state or county agencies.
7. Loan or guarantee the repayment of loans up to fifty percent (50%) of the maximum single-residence loan amount allowed in Hawaii by the United States Department of Housing and Urban Development, Federal Housing Administration (FHA).
8. Permit loans to lessees by government agencies or private lenders, where the department assures payment of such loans in case of default.
9. Secure, pledge, or otherwise guarantee the repayment of money borrowed by the department from government agencies or private lenders. Money borrowed by the department or on departmental guarantees of loan shall at no time exceed \$50,000,000.

10. Use available loan fund monies or other funds as cash guarantees when required by lenders.
11. Exercise the functions of a lender of money in all direct loans made by government agencies or private lenders to lessees of which repayment is guaranteed by the department.
12. Pledge receivables of loan accounts outstanding as collateral to secure loans made by government agencies or private lenders to the department, the proceeds of which shall be used to make new loans.
13. Transfer into the Hawaiian home-trust fund any available money from any loan fund, except the Hawaiian home-loan fund, for use as cash guarantees or reserves when required by a federal agency authorized to insure or guarantee loans to lessees.

**2. Statutory Basis of Fund:**

Section 213 (c), Hawaiian Homes Commission Act of 1920, as amended

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Operating Fund

Means of Financing: Trust Fund

**1. Description and Purpose of Fund (including revenue source):**

The Hawaiian Home-Development Fund, established in 1941 as a special fund, and the Hawaiian Home Operating Fund, established in 1948 as a revolving fund, were merged into one fund, the Hawaiian Home Operating Fund, in 1986. Section 4 of the Hawaii Admissions Act (Act of March 18, 1959, Pub. L. 86-3, 73 Stat 4) made the Hawaiian Homes Commission Act (HHCA) a State law by compact with the United States. Under this compact, the Hawaiian Home Development Fund and the Hawaiian Home Operating Fund may not be the subject of amendments that impair or reduce them without the consent of Congress. Consequently, the Hawaiian Home Operating Fund is managed as two separate portions, the operating portion and the development portion, to retain the characteristics and substance of the predecessors of this fund.

Section 4 of the Hawaii Admissions Act, states in part:

"the Hawaiian home-loan fund, the Hawaiian home-operating fund, and the Hawaiian home-development fund shall not be reduced or impaired by any such amendment, whether made in the constitution or in the manner required for State legislation, and the encumbrances authorized to be placed on Hawaiian home lands by officers other than those charged with the administration of said Act, shall not be changed except with the consent of the United States" (emphasis added).

**REVENUE LINE ITEMS:**

- 1-2) Loan Interest/ Investment Interest - Pursuant to section 213(b) of the Hawaiian Homes Commission Act (HHCA), any interest or earnings arising out of investments from the Hawaiian Home Loan Fund are to be credited to and deposited into the Hawaiian Home Operating Fund.
- 3) Miscellaneous - Pursuant to section 213(e) of the HHCA, all moneys received by the department from any other source, other than those prescribed in other funds of the HHCA, are deposited into the Hawaiian Home Operating Fund. This includes receipts collected from the Molokai and Anahola Water systems, hall rentals, and homestead lease payments.
- 4) Refund/ Reimbursables - Refunds and reimbursements of expenditures are deposited back to the fund of origination.

## EXPENDITURE LINE ITEMS:

(1-14) Uses of the operating portion of the Hawaiian Home Operating Fund include:

1. Construction operation and maintenance of revenue-producing activities (such as the Molokai Water System, and the Anahola Farm Lots Water System, on the island of Kauai) that are intended to serve principally occupants on Hawaiian home lands.
2. Purchase of goods and services to be resold, rented or furnished on a charge basis to occupants of Hawaiian home lands. The department operates a community hall in Waimea on the island of Hawaii.
3. Cost of appraisals, studies, consultant services or other staff services, including those in section 202(b) of the HHCA. Some of DHHL temporary exempt hires are funded from this portion of the Operating Fund.

The uses of the development portion of the Hawaiian Home Operating Fund, which require approval of the Governor, include:

1. Improvement and development necessary to serve present and future occupants of Hawaiian home lands.
2. Improvements, additions, and repairs to all assets owned or leased by the department excluding structures or improvements that the department is obligated to acquire under Section 209 of the HHCA.
3. Engineering, architectural and planning services to maintain and develop properties.
4. For consultant services.
5. For purchase or lease of equipment.
6. For acquisition or lease of real property; and
7. Improvements constructed for the benefit of the beneficiaries of the HHCA and not otherwise permitted in the loan funds or Administration Account.

## OTHER CHANGES IN FUND BALANCE:

- 1) The Hawaiian Homes Commission authorizes the quarterly transfer of moneys from the Hawaiian Home Receipts Fund to the Hawaiian Home Operating Fund.
- 2) Any amount in the Hawaiian Home Administration Account which is in excess of the amount approved by the State Legislature or made available for the fiscal period may be transferred to the Hawaiian Home Operating Fund.

**2. Statutory Basis of Fund:**

Section 213 (e), Hawaiian Homes Commission Act of 1920, as amended

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Administration Account

Means of Financing: Special Fund

**1. Description and Purpose of Fund (including revenue source):**

In 1959, the Hawaii Admission Act (Act of March 18, 1959, Pub. L. 86-3, 73 Stat 4) provided that ownership of Hawaiian home lands (HHL) be transferred from the United States to the State of Hawaii. The Admission Act also provided that the HHL, as well as proceeds and income therefrom were to be held by the State in trust for native Hawaiians and administered in accordance with the Act, and that use of HHL for any other purpose would constitute a breach of trust for which suit may be brought by the United States.

Section 4 of the Hawaii Admissions Act, states in part:

"(3) that all proceeds and income from the "available lands" as defined by said Act, shall be used only in carrying out the provisions of said Act" (emphasis added).

Section 5(f) of the Hawaii Admissions Act, states in part:

"Such lands, proceeds, and income shall be managed and disposed of for one or more of the foregoing purposes in such manner as the constitution and laws of said State may provide, and their use for any other object shall constitute a breach of trust for which suit may be brought by the United States." (emphasis added).

**REVENUE LINE ITEMS:**

- 1) The entire receipts from any leasing or other dispositions of "available lands" are deposited into this account. Any interest or other earnings arising out of investments from this fund are to be credited to this fund.

Receipts of this fund are from general leases, licenses, revocable permits, rights of entry, and other dispositions of Hawaiian home lands. The Admission Act and the Constitution stipulate that all proceeds and income from "available lands," as defined by the HHCA, "shall be used only in carrying out the provisions of said Act."

**EXPENDITURE LINE ITEMS:**

- 1) The monies are to be expended by the department for salaries and all other administrative expenses of the department, excluding capital improvements, in the absence of general funds appropriated for operating and administrative costs.

Funds of the Administration Account must be incorporated in the Executive Budget and appropriated by the legislature before they can be used for salaries and operating costs.

**OTHER CHANGES IN FUND BALANCE:**

- 1) The HHCA provides that the excess of the receipts deposited into the Hawaiian Home Administration Account over the amount approved or made available by the legislature may be transferred to the Hawaiian Home Operating Fund.
- 2) All revenues from "available" lands are pledged to the repayment of DHHL revenue bonds. Monies in excess of the reserve and debt service requirements may be transferred back to the Administration Account upon Commission approval.

**2. Statutory Basis of Fund:**

Section 213(f), Hawaiian Homes Commission Act of 1920, as amended



Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Receipts Fund

Means of Financing: Trust Fund

**1. Description and Purpose of Fund (including revenue source):**

All interest monies from loans or investments received by the department from any fund (except the borrowed money loans in the Hawaiian home-general loan fund and the Hawaiian home-loan fund) are deposited into this fund. In essence, the fund was to serve as a clearing account at the end of each quarter, all monies in this fund are transferred to the Hawaiian home-operating fund, the Hawaiian home-administration account, the Hawaiian home-trust fund and any loan fund in accordance with rules adopted by the department. Since this a clearing account and monies are transferred quarterly, as required by the Hawaiian Homes Commission Act, there are no beginning and ending balances at start and end of quarter. Consequently, there are no prior year or end of year balances.

**2. Statutory Basis of Fund:**

Section 213 (g), Hawaiian Homes Commission Act of 1920, as amended

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Trust Fund

Means of Financing: Trust Fund

**1. Description and Purpose of Fund (including revenue source):**

Monies deposited into this fund are available for transfers into any other fund or account authorized by the Act or for any public purpose to further the purposes of the Act. Public purpose includes using the Hawaiian home trust fund as a reserve for loans insured or guaranteed by the Federal Housing Administration, Veteran Administration or any other federal agency authorized to insure or guarantee loans. A major deposit in the Hawaiian home-trust fund is the reserve for loans insured by the Federal Housing Administration.

**2. Statutory Basis of Fund:**

Section 213(h), Hawaiian Homes Commission Act of 1920, as amended

Department of Hawaiian Home Lands

Name of Fund: Native Hawaiian Rehabilitation Fund

Means of Financing: Trust Fund

**1. Description and Purpose of Fund (including revenue source):**

The Native Hawaiian Rehabilitation Fund (NHRF) was created by the 1978 Constitutional Convention to finance various activities intended to exclusively benefit native Hawaiians. This includes, but is not limited to, educational, economic, political, social, and cultural processes by which the general welfare and conditions of native Hawaiians are improved and perpetuated. The specific sources of NHRF funds vary, but are primarily derived from certain lands labeled "ceded lands" which were conveyed from the federal government to the State when it was admitted into the Union.

**REVENUE LINE ITEMS:**

- 1) Thirty percent of the state receipts, derived from lands previously cultivated and cultivated as sugarcane lands and from water licenses, are deposited into this fund.
- 2) Any payments of principal, interest or other earnings arising out of the loan or investments from the fund are credited and deposited into this fund.

**EXPENDITURE LINE ITEMS:**

- 1) NHRF has been used for interim home construction. The fund is reimbursed by private lenders that provide permanent takeout loans (e.g. FHA loans).
- 2) NHRF has also been involved in the financing of community based projects and an education scholarship program within the native Hawaiian community.

**2. Statutory Basis of Fund:**

Section 213(i), Hawaiian Homes Commission Act of 1920, as amended

Department of Hawaiian Home Lands

Name of Fund: Department of Hawaiian Home Lands Revenue Bond Special Fund

Means of Financing: Special Fund

**1. Description and Purpose of Fund (including revenue source):**

In 1959, the Hawaii Admission Act (Act of March 18, 1959, Pub. L. 86-3, 73 Stat 4) provided that ownership of Hawaiian home lands (HHL) be transferred from the United States to the State of Hawaii. The Admission Act also provided that the HHL, as well as proceeds and income therefrom were to be held by the State in trust for native Hawaiians and administered in accordance with the Act, and that use of HHL for any other purpose would constitute a breach of trust for which suit may be brought by the United States.

Section 4 of the Hawaii Admissions Act, states in part:

"(3) that all proceeds and income from the "available lands" as defined by said Act, shall be used only in carrying out the provisions of said Act" (emphasis added).

Section 5(f) of the Hawaii Admissions Act, states in part:

"Such lands, proceeds, and income shall be managed and disposed of for one or more of the foregoing purposes in such manner as the constitution and laws of said State may provide, and their use for any other object shall constitute a breach of trust for which suit may be brought by the United States." (emphasis added).

In October 1991, the department sold \$18 million of revenue bonds. All revenues from "available" lands are pledged to the repayment of these bonds. Monies in excess of the reserve and debt service requirements may be transferred back to the Administration Account upon Commission approval.

Pursuant to section 213.5 of the HHCA, the department is required to establish a Revenue Bond Special Fund for each undertaking financed by revenue bonds. A special fund was established for the revenue bonds issued in 1991. Sources of monies for this fund are:

1. Revenues committed for payment of debt service and maintenance of reserve accounts.
2. Interest from investments of reserve accounts.

The monies are primarily used to repay the debt service on the bonds and to maintain a reserve account as required by the bond resolution.

**2. Statutory Basis of Fund:**

Section 213.5, Hawaiian Homes Commission Act of 1920, as amended

Department of Hawaiian Home Lands

Name of Fund: Hawaiian Home Lands Trust Fund

Means of Financing: Trust Fund

**1. Description and Purpose of Fund (including revenue source):**

Act 14, Special Session 1995, (DHHL Land Claims Settlement Act) settles all claims made on behalf of the Hawaiian Home Lands Trust against the State between August 21, 1959 and July 1, 1988. It requires that the State make twenty annual deposits of \$30,000,000 or their discounted equivalent into the Hawaiian Home Lands Trust Fund. Proceeds of the fund may be used by DHHL for capital improvements and to meet the requirements of the Hawaiian Homes Commission Act of 1920, as amended.

**2. Statutory Basis of Fund:**

Section 213.6, Hawaiian Homes Commission Act of 1920, as amended.

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